

## **The Emergency Trade Program Extension Act of 2006**

---

### ***Promoting Economic Growth in the United States and Abroad***

The Generalized System of Preferences ("GSP"), Andean Trade Preference Act ("ATPA"), and African Growth and Opportunity Act ("AGOA") provide a framework of benefits that has helped to promote economic growth and improve standards of living in the United States and developing countries. Unfortunately, key benefits provided under AGOA are scheduled to be reduced on October 1, 2006, and the GSP and ATPA are scheduled to expire on December 31, 2006.

**The Emergency Trade Program Extension Act of 2006 ("ETOPEA") will extend for two years the benefits provided to the poorest African countries under AGOA and to African and other beneficiary developing countries under GSP and ATPA.** These benefits are about to expire and must be extended immediately to ensure that U.S. workers, manufacturers and retailers, as well as our developing country trading partners, have the predictability necessary to make business and investment decisions for the future.

For GSP and ATPA, a short-term extension is appropriate, so that benefits remain in place through 2008, to allow for completion of the Doha Development Agenda round of World Trade Organization negotiations, and any changes to U.S. trade preference programs that Congress determines to make.

**The emergency extension of key expiring AGOA provisions is vital to the future of U.S.-Africa trade. However, more must be done to promote the relationship, including through broader reforms such as those outlined in the Trade Preference Extension and Expansion Act of 2006 (TPEEA).**

**Accordingly, the legislation outlines a path to put Africa's textile and apparel industries on a stable, competitive footing through 2020.** It is critical that we address both the short term imperative of maintaining full benefits in place past the end of this month under the existing AGOA program and move swiftly to a long-term program that will provide Africa with the continuity, stability and predictability necessary to establish by 2020 a stable and globally competitive textile and apparel industry in Africa. These dual imperatives are underscored by the fact that apparel imports from AGOA countries dropped 16% in the year following the expiration of global textile and apparel quotas on January 1, 2005.